

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7397

ANSWERED ON:12.05.2000

DEPB

A. VENKATESH NAIK;DR. KIRIT SOMAIYA

Will the Minister of FINANCE be pleased to state:

(a) whether the customs department has unearthed Rs. 5 croe irregularities in connection with false availing of the Duty Entitlement Pass Book Scheme by exporters of glass beads; and

(b) if so, the action being taken by the Government against such exporters?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI V. DHANANJAYA KUMAR)

(a) & (b): Yes, Sir. The Custom House at Calcutta, in December 1999 and January, 2000, has detected cases wherein certain exporters had exported glass beads at a very high FOB value during April 1999 to June 1999, to fraudulently avail of Duty Entitlement Pass Book credit of approximately Rs. 5 crores. Out of this, Duty Entitlement Pass Book credit of approximately Rs. 1.54 crores has been denied by Director General of Foreign Trade. One of the exporters involved in the said cases was arrested and later released on bail under Court's order. Further investigations are in progress in all the cases and action will be taken against them as per law.